

Press Release

23rd September 2014

Research Shows 2 in 3 Irish Parents have no Will

- **One in five parents with a will have not made a provision for guardianship**
- **54% of parents state they have no will in place as they ‘haven’t got around to it’**
- **Only 30% likely to arrange a will in the next 12 months**

Irish Life, Ireland's leading life and pension company, today announced new research findings¹ around Irish parent's attitudes towards having and making a formal will to launch its Will Wise Campaign. Alarming, almost 2 in 3 (62%) of parents surveyed do not have any formal will arrangement, but just 15% believe they don't require a will. The research also looked at parents' approach to guardianship and whilst seven in 10 parents agree it's important to include a provision for their child /children in their will, one in five of the parents with a will say they haven't made a provision for guardianship.

As part of the Will Wise campaign, for a limited time, customers will receive a voucher to arrange a basic will, when they apply for a new Life Insurance plan with Irish Life. You need to apply for the plan between Monday, 22nd September and Friday, 17th October 2014 and it should start on or before 28th November 2014. The will can be completed with a solicitor from Irish Life's independent panel for no additional charge. Will Wise vouchers will be issued to customers availing of the promotion in December 2014, and will be valid until the end of March 2015.

The research shows that when asked what the most important factor was in choosing a guardian, 78% stated that that it must be someone who knows them well and can follow their wishes. Interestingly, over half of the parents surveyed don't consider wealth as an important factor when choosing a guardian (59%), in fact it was the least important factor for most parents, with just 12% agreeing that it was the most important.

It seems that Godparents are no longer seen as an automatic choice for guardianship of child/children, with just over one in four of those surveyed stating that the child's Godparents should be made guardians (28%). Being a family member is not that important, with less than half strongly agreeing that only a family member should be their child's guardian. In addition just one in three

agreed that the guardian should be a parent themselves. Surprisingly, one in four would not be happy for a friend to be their child's guardian.

Mums and Dads don't always agree on everything, and it seems guardianship is no different, with 3 in 4 of Mums agreeing that it is important to make a provision for a guardian, compared to just 2 in 3 Dads. Dads were also more likely to have made a will without making a provision for guardianship (27% vs.17%), and were slightly more in favour of a family member taking guardianship (52% vs. 46% mums).

The research also uncovered the public's lack of knowledge of the rate of inheritance tax, with seven in 10 admitting to not knowing the tax rate, and only one in 10 providing the correct figure of 33%. This is an important area for people to plan for because the amount of inheritance tax paid has increased by almost 40% since 2010.

Speaking at the launch of the Will Wise Campaign, Brendan Coyle, Protection Marketing Manager at Irish Life said; "Whilst the majority of parents recognise the importance of making a will and making a provision for guardianship, there is a significant number who have yet to make these arrangements. Over 90% of the parents with a will said that making sure that their children would be looked after was the main trigger for them putting a will in place. We would encourage those who are thinking about making a will, or those who are just looking for some information or advice, to speak to a financial broker or adviser about our *Will Wise Promotion* or visit our website for our simple guide to Making a Will."

For more information on Irish Life and to view a full list of products available, visit www.irishlife.ie

¹ Coyne Omnibus Research of 1,000 adults in July 2014, and August 2014.

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About Irish Life:

Established in 1939, Irish Life is Ireland's leading life and pensions company. Since July 2013 Irish Life is part of the Great-West Lifeco group of companies, one of the world's leading life assurance organisations.

Irish Life Assurance plc is regulated by the Central Bank of Ireland.

Notes to Editor:

About Capital Acquisitions Tax (CAT)

For the 2012-2013 tax year, the maximum thresholds were reduced in the 2013 Budget (these figures are valid for 2014). The new threshold of €225,000 applies where the beneficiary is a child – or, in some cases, parent – of the deceased. If you receive an inheritance from another close relative, such as a sibling, aunt, uncle or grandparent, a threshold of €30,150 applies. The lowest threshold of €15,075 euro applies in all other cases. Falling below the CAT threshold does not necessarily remove the requirement to file a return in relation to your inheritance.

Inheritance tax paid for years 2010-2013

Since 2009, Inheritance Tax, also known as Gift Tax /Capital Acquisitions Tax, has risen from 20% to 33% and the tax free thresholds have been reduced in respect of gifts or inheritances.

See chart below showing the increase in amount of tax paid for years 2010- 2013.

| Year | 2013 | 2012 | 2011 | 2010 |
|-----------------|----------|---------|----------|-------|
| Inheritance Tax | €257.53m | €254.3m | €213.97m | €186m |